

OFFICIAL STATEMENT

**CHINO UNIFIED SCHOOL DISTRICT
SAN BERNARDINO COUNTY, CALIFORNIA**

\$4,865,000 PRINCIPAL AMOUNT

\$3,535,000 Election 1975, Series 3

\$1,330,000 Election 1977, Series 1

(General Obligations)

INSTITUTE OF GOVERNMENTAL
STUDIES LIBRARY

DEC 27 1977

UNIVERSITY OF CALIFORNIA

Bids to be received by the Clerk of the Board of Supervisors of San Bernardino County,
County Civic Building, 175 West Fifth Street, San Bernardino, California 92415 at
10:00 A.M. Monday, January 16, 1978.

CHINO UNIFIED SCHOOL DISTRICT
San Bernardino County, California

BOARD OF EDUCATION

Pete J. Vander Poel, President

Daniel C. Santo, Clerk
Lyle S. Briggs

Allen P. McCombs
Augustine H. Tapia

DISTRICT ADMINISTRATION

Duane E. Stiff, Superintendent of Schools

Alvin C. Searfoss, Assistant Superintendent, Business

John E. McMurtry, Deputy Superintendent, Instruction

SAN BERNARDINO COUNTY, CALIFORNIA

BOARD OF SUPERVISORS

Robert O. Townsend, Chairman

Dennis Hansberger, Vice Chairman
Robert Hammock

Joe Kamansky
James L. Mayfield

SAN BERNARDINO COUNTY OFFICIALS

M. Crane Kitchel, County Counsel

Craig S. Jordan, Deputy County Counsel

John H. Bulmer, Auditor-Controller

John A. Gartner, Tax Collector-Treasurer

PROFESSIONAL SERVICES

Orrick, Herrington, Rowley & Sutcliffe, San Francisco
Bond Counsel

Stone & Youngberg Municipal Financing Consultants, Inc.
San Francisco and Los Angeles
Financing Consultants

THE DATE OF THIS OFFICIAL STATEMENT IS DECEMBER 13, 1977

79 00583

INSTITUTE OF GOVERNMENTAL
STUDIES LIBRARY

DEC 13 2024

UNIVERSITY OF CALIFORNIA

TO WHOM IT MAY CONCERN:

The purpose of this Official Statement is to supply information to prospective bidders on, and buyers of, \$3,535,000 principal amount of the Election 1975, Series 3 Bonds and \$1,330,000 principal amount of Election 1977, Series 1 Bonds proposed to be issued by the Chino Unified School District.

The material contained in this Official Statement was prepared by Stone & Youngberg Municipal Financing Consultants, Inc., in the capacity of financing consultants to the Chino Unified School District (which firm will receive compensation from the District contingent upon the sale and delivery of the Bonds).

This Official Statement is not to be construed as a contract with the purchasers of the Election 1975 Series 3 Bonds and Election 1977 Series 1 Bonds. Statements contained in this Official Statement which involve estimates, forecasts or matters of opinion, whether or not expressly so described herein, are intended solely as such and are not to be construed as representations of fact.

No dealer, broker, salesman or other person has been authorized by the District to give any information or to make any representations other than those contained herein and, if given or made, such other information or representation must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of any offer to buy nor shall there be any sale of the Bonds by a person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale.

The members of the Board of Education of the Chino Unified School District have reviewed this Official Statement and have determined that as of the date hereof the information contained herein is, to the best of their knowledge and belief, true and correct in all material respects and does not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading. The Chino Unified School District will deliver to the purchaser of the Bonds a certificate as to the above, dated the date of Bond delivery and further certifying that the signatories know of no material adverse change in the condition of the District which would make it unreasonable for the purchaser of the Bonds to rely upon the Official Statement in connection with the resale of the Bonds, and authorizing the purchaser of the Bonds to distribute copies of the Official Statement in connection with the resale of the Bonds. 200 copies of the Official Statement will be supplied to the purchaser of the Bonds for this purpose.

The opinion of Orrick, Herrington, Rowley & Sutcliffe, San Francisco, California, Bond Counsel to the District, will be furnished to the successful bidder (see the section entitled "Legal Opinion" herein). The scope of Bond Counsel's employment in connection with the review of this Official Statement has been limited to reviewing the statements of law and legal conclusions set forth herein under the sections titled "The Bonds", excepting the material under the heading "Estimated Debt Service."

December 13, 1977

Duane E. Stiff
Superintendent
CHINO UNIFIED SCHOOL DISTRICT

TABLE OF CONTENTS

INTRODUCTION	1
THE BONDS	2
Authority for Issuance	2
Terms of Sale	2
Description of the Bonds	2
Interest	3
Redemption Provisions	3
Payment	3
Execution and Registration	3
Legal Opinion	3
Tax Exempt Status	3
Legality of Investment	3
Security	4
No Litigation	4
Purpose of the Issue	4
Estimated Debt Service	4
THE IMPROVEMENT PROGRAM	6
DISTRICT ORGANIZATION AND FINANCIAL DATA	7
Facilities and Attendance	7
Assessed Valuations	7
Revenue Limitations	8
Tax Rates	9
Tax Levies and Delinquencies	10
Fund Balances	10
Revenues and Expenditures	11
Employer-Employee Relations	12
Pension Plans	13
Direct and Estimated Overlapping Bonded Debt	14
Other Indebtedness	14
THE DISTRICT AND ITS ECONOMY	16
City of Chino	16
Population and Housing	16
Employment and Industry	17
Commerce	19
Construction	20
Agriculture	21
Transportation	22
Utilities	22
Education	22
Community Facilities and Recreation	23
SAN BERNARDINO VALLEY	25
Employment	25
Agriculture	27
Construction Activity	28
Taxable Sales	28
Financial	29
Per Capita Income	29

TABLES

Table 1	Chino Unified School District Estimated Annual Bond Service \$3,535,000 Election 1975, Series 3 & \$1,330,000 Election 1977, Series 1 Bonds	5
Table 2	Assessed Valuation and Enrollment Growth	8
Table 3	1977/78 Assessed Valuation	8
Table 4	Tax Code Area 101 -- Tax Rates per \$100 Assessed Valuation	9
Table 5	Secured Tax Delinquency	10
Table 6	Summary of Revenues and Expenditures	11
Table 7	General Fund Income and Expenditures	12
Table 8	Statement of Direct and Estimated Overlapping Bonded Debt	15

INTRODUCTION

The \$3,535,000 principal amount of Chino Unified School District Election 1975, Series 3 Bonds represents the third and final sale of a total authorization of \$8,500,000 approved by the District voters at a November 4, 1975 election. The \$1,330,000 principal amount of Chino Unified School District Election 1977, Series 1 Bonds represents the first sale from an authorization of \$9,170,000 approved by District voters on March 8, 1977.

The Chino Unified School District is located in southwestern San Bernardino County, approximately 35 miles east of Los Angeles, 23 miles southwest of San Bernardino and 115 miles north of San Diego. The District encompasses about 88 square miles and has an estimated population of 52,000. The economy of the District benefits substantially from the agricultural activity of the many farms and ranches of the area. Commercial farm production in San Bernardino County had a 1976 gross production value of more than \$343,000,000, highest value on record for the county. There were 19 commodities with a valuation in excess of one million dollars, headed by milk and eggs which together accounted for over 74 percent of the total gross value of farm production in the county.

In recent years, the area's economic base has become more diversified with the addition of several non-agricultural related industrial employers engaged in the production of truck trailers, ordnance, metal fittings and mobile homes. Approximately 2,000 acres of industrial land in the District is either zoned for manufacturing and industry or is being held for future industrial use. Most of this acreage is in the Chino city limits. An industrial outfall sewage line is available.

The District's proximity to Los Angeles as well as the excellent freeway facilities linking the District to major employment and distribution centers in the Los Angeles and San Bernardino metropolitan areas has attracted many families who prefer the more rural-suburban atmosphere of Chino to the more densely populated surrounding areas. Indicative of this trend is the increase in population of the City of Chino from 10,305 in 1960 to 31,000 in 1977.

After a record \$64,000,000 valuation of building permits in 1976, the January-September 1977 period shows that the pace of construction activity in the City has moderated (\$23,901,000). The City attributes this moderation to the reduced availability of land for housing subdivision development. Residential construction is becoming principally single house construction rather than housing subdivision construction.

Average daily attendance has grown from 10,292 students in 1973/74 to 14,187 estimated students in the 1977/78 school year. Assessed valuation of the District has increased from \$101,650,280 in 1973/74 to \$203,121,695 in 1977/78. The tax delinquency in 1977 was 1.85 percent.

Upon delivery of the currently offered bonds, the District's direct debt will be \$20,275,000 or 9.98 percent of assessed valuation and 2.47 percent of estimated real value. Net direct and estimated overlapping debt will be 14.80 percent and 3.66 percent of assessed valuation and estimated real value, respectively.

THE BONDS

AUTHORITY FOR ISSUANCE

The \$3,535,000 principal amount of Chino Unified School District Election 1975, Series 3 Bonds, and \$1,330,000 Election 1977, Series 1 Bonds, now being offered for sale are general obligations to be issued under provisions of Title 1, Division 1, Part 10, Chapter 2 of the State of California Education Code, and pursuant to a resolution of the Board of Supervisors of San Bernardino County adopted on December 5, 1977.

The Election 1975, Series 3 Bonds, in the principal amount of \$3,535,000 represents the third and final sale from an authorization of \$8,500,000 approved by District voters on November 4, 1975. Series 1 Bonds (\$1,965,000) were dated April 15, 1976 and Series 2 Bonds (\$3,000,000) were dated February 1, 1977.

The Election 1977, Series 1 Bonds, in the principal amount of \$1,330,000, represents the first sale from an authorization of \$9,170,000 approved by District voters on March 8, 1977. After the sale of the Series 1 Bonds, \$7,840,000 of the \$9,170,000 authorization will remain unissued.

TERMS OF SALE

Bids will be received by the Clerk of the Board of Supervisors of San Bernardino County on or before 10:00 A.M. on Monday, January 16, 1978, at the Office of the Clerk of the Board of Supervisors, County Civic Building, 175 West Fifth Street, San Bernardino, California. The Bonds will be sold pursuant to the terms of sale contained in the Official Notice of Sale adopted by the Board of Supervisors on December 5, 1977.

DESCRIPTION OF THE BONDS

The Election 1975, Series 3 Bonds and Election 1977, Series 1 Bonds consist of \$4,865,000 aggregate principal amount dated February 1, 1978. The Bonds, all in the denomination of \$5,000, will mature serially in consecutive numerical order from lower to higher as set forth in the following maturity schedule:

Maturity Date	Principal Amount 1975	Principal Amount 1977	Total Principal Amount
February 1	Series 3 Bonds	Series 1 Bonds	
1979	\$ 50,000	\$ 15,000	\$ 65,000
1980	55,000	20,000	75,000
1981	95,000	30,000	125,000
1982	95,000	30,000	125,000
1983	95,000	30,000	125,000
1984	95,000	30,000	125,000
1985	95,000	30,000	125,000
1986	110,000	40,000	150,000
1987	110,000	40,000	150,000
1988	145,000	55,000	200,000
1989	145,000	55,000	200,000
1990	160,000	65,000	225,000
1991	235,000	90,000	325,000
1992	235,000	90,000	325,000
1993	275,000	100,000	375,000
1994	275,000	100,000	375,000
1995	275,000	100,000	375,000
1996	295,000	130,000	425,000
1997	320,000	130,000	450,000
1998	375,000	150,000	525,000

INTEREST

Interest on the Bonds at a rate not to exceed eight percent (8%) per annum is payable for the first year on February 1, 1979 and semiannually thereafter on August 1 and February 1.

REDEMPTION PROVISIONS

Bonds maturing on or prior to February 1, 1993 are not subject to call and redemption prior to their fixed maturity dates. Bonds maturing on or after February 1, 1994 are subject to call and redemption prior to their fixed maturity dates at the option of the District as a whole or in part in inverse order of maturity and number beginning with the highest numbered bond on any interest payment date on and after February 1, 1993 at the following redemption price: the principal amount of the bonds so called for redemption and accrued interest thereon to date of redemption plus a premium of (a) one-quarter of one percent of such principal amount plus (b) one-quarter of one percent of such principal amount for each year or portion of a year between the redemption date and the maturity date of the bonds so called for redemption.

PAYMENT

Both principal and interest are payable in lawful money of the United States of America at the office of the Treasurer-Tax Collector of San Bernardino County in San Bernardino, California.

EXECUTION AND REGISTRATION

Coupon bonds will be issued by the Board of Supervisors on behalf of the District. The Bonds will be executed by the manual signature of at least one official authorized to execute the Bonds. The Bonds are registrable only as to both principal and interest.

LEGAL OPINION

The legal opinion of Orrick, Herrington, Rowley & Sutcliffe, San Francisco, California, Bond Counsel to the District, approving the validity of the 1975 Series 3 and 1977 Series 1 Bonds, will be furnished to the purchasers without charge at the time of the original delivery of the Series 3 and Series 1 Bonds. A copy of the legal opinion will be printed on each bond. See the concluding paragraph of the "To Whom It May Concern" section of this Official Statement regarding the scope of bond counsel's review of this Official Statement. Bond counsel's fee is payable from the proceeds of the Bonds and is contingent upon bond delivery.

TAX EXEMPT STATUS

In the opinion of bond counsel, the interest on the Bonds is exempt from present federal income taxes and from State of California personal income taxes under existing statutes, regulations, and court decisions; and the Bonds are exempt from all California taxes except inheritance, gift, and franchise taxes.

LEGALITY FOR INVESTMENT

In the opinion of bond counsel, the Bonds are legal investments in California for all trust funds and for the funds of insurance companies, commercial and savings banks, trust companies, and for state school funds, and are eligible as security for deposits of public monies in California.

SECURITY

The Bonds are general obligations of the Chino Unified School District, and the Board of Supervisors of San Bernardino County has the power and is obligated to levy ad valorem taxes for payment of the Bonds and the interest thereon upon all property within the District, subject to taxation by the District (except certain personal property which is taxable at limited rates), without limitation of rate or amount.

NO LITIGATION

At the time of payment for and delivery of said Bonds, the successful bidder will be furnished with a certificate that there is no litigation pending affecting the validity of the Bonds.

The present California system of levying taxes and applying funds for public school purposes has been held unconstitutional under provisions of the California Constitution by a California Superior Court in the case entitled Serrano v. Priest.

The California Supreme Court in a decision dated December 30, 1976, affirmed the judgment of the Superior Court in that case. The decision requires that a new system for financing California primary and secondary schools must be implemented by September 3, 1980.

The Superior Court judgment as affirmed by the California Supreme Court contains a statement that the existing public school financing system shall continue to operate until an appropriate system, not in violation of the California Constitution, can be placed into effect.

Legislation has been enacted by the California legislature in response to Serrano v. Priest. This legislation significantly increases the amount of state money supplied to public school districts having a low local property tax basis, and provided for some equalization of tax moneys by redistributing some tax revenues of school districts having a high per-pupil property tax basis to school districts having a low per-pupil property tax basis. As the District is considered to have a low per-pupil property tax basis, the legislation requires the redistribution of property tax revenues to the District from other California School districts beginning in fiscal year 1978/79. Furthermore, the District will benefit from increased state financial support provided to school districts in 1977/78. The legislation does not affect tax rates for payment of principal and interest on general obligation bonds.

It is likely that further litigation will result to determine whether the enacted legislation satisfies the constitutional requirement pronounced in Serrano v. Priest. Any further changes resulting from Serrano v. Priest in the sources of funds, including property taxation, applied to the support of public schools and any effect thereof on the moneys available to the District to pay the principal and interest on the Bonds are not determinable at this time. However, it is not believed that the result of any such further litigation will affect the validity of the Bonds.

PURPOSE OF THE ISSUE

The Bonds were authorized by more than two-thirds of the voters voting at elections duly held in the District and will be issued and sold for the purpose of raising money for authorized school purposes. (See "The Improvement Program" Section of this Official Statement).

ESTIMATED DEBT SERVICE

Table 1 presents a schedule of estimated annual debt service for the Bonds currently being offered for sale and debt service on prior District bonds. Estimated interest on the Bonds, as shown in Table 1, is at the maximum rate of 6.75 percent.

Table 1
CHINO UNIFIED SCHOOL DISTRICT
Estimated Annual Bond Service \$3,535,000 Election 1975, Series 3 & \$1,330,000 Election 1977, Series 1 Bonds

\$3,535,000 Election 1975, Series 3 Bonds & \$1,330,000 Election 1977, Series 1 Bonds								
Year	Principal	Interest Payable	Principal	Principal	Total Principal	Estimated (2)	Prior (3)	Estimated
Ending	Outstanding	Aug. 1 & Feb. 1	1975 Series 3	1977 Series 1	Maturing	Bond Service	Bond Service	Grand Total
	July 1	@ 6.75%	Bonds	Bonds	February 1			Bond Service
1978/79	\$4,865,000	\$ 328,387.50 (1)	\$ 50,000	\$ 15,000	\$ 65,000	\$ 393,387.50	\$ 1,337,180.00	\$ 1,730,567.50
1979/80	4,800,000	324,000.00	55,000	20,000	75,000	399,000.00	1,351,667.50	1,750,667.50
1980/81	4,725,000	318,937.50	95,000	30,000	125,000	443,937.50	1,349,342.50	1,793,280.00
1981/82	4,600,000	310,500.00	95,000	30,000	125,000	435,500.00	1,349,947.50	1,785,447.50
1982/83	4,475,000	302,062.50	95,000	30,000	125,000	427,062.50	1,350,435.00	1,777,497.50
1983/84	4,350,000	293,625.00	95,000	30,000	125,000	418,625.00	1,360,710.00	1,779,335.00
1984/85	4,225,000	285,187.50	95,000	30,000	125,000	410,187.50	1,358,163.00	1,768,350.50
1985/86	4,100,000	276,750.00	110,000	40,000	150,000	426,750.00	1,354,580.50	1,781,330.50
1986/87	3,950,000	266,625.00	110,000	40,000	150,000	416,625.00	1,373,217.50	1,789,842.50
1987/88	3,800,000	256,500.00	145,000	55,000	200,000	456,500.00	1,367,583.50	1,824,083.50
1988/89	3,600,000	243,000.00	145,000	55,000	200,000	443,000.00	1,390,680.00	1,833,680.00
1989/90	3,400,000	229,500.00	160,000	65,000	225,000	454,500.00	1,378,158.50	1,832,658.50
1990/91	3,175,000	214,312.50	235,000	90,000	325,000	539,312.50	1,390,230.00	1,929,542.50
1991/92	2,850,000	192,375.00	235,000	90,000	325,000	517,375.00	1,094,612.50	1,611,987.50
1992/93	2,525,000	170,437.50	275,000	100,000	375,000	545,437.50	984,062.50	1,529,500.00
1993/94	2,150,000	145,125.00	275,000	100,000	375,000 (4)	520,125.00	977,900.00	1,498,025.00
1994/95	1,775,000	119,812.50	275,000	100,000	375,000 (4)	494,812.50	422,562.50	917,375.00
1995/96	1,400,000	94,500.00	295,000	130,000	425,000 (4)	519,500.00	402,487.50	921,987.50
1996/97	975,000	65,812.50	320,000	130,000	450,000 (4)	515,812.50	382,162.50	897,975.00
1997/98	525,000	35,437.50	375,000	150,000	525,000 (4)	560,437.50	50,500.00	610,937.50
1998/99							48,500.00	48,500.00
1999/00							51,375.00	51,375.00
2000/01							54,000.00	54,000.00
2001/02							56,375.00	56,375.00
TOTAL		\$4,472,887.50	\$3,535,000	\$1,330,000	\$4,865,000	\$9,337,887.50	\$22,236,433.00	\$31,574,320.50

(1) Interest payable on February 1, 1979 and semiannually thereafter on August 1 and February 1. Bonds are dated February 1, 1978.

(2) Source: Stone & Youngberg Municipal Financing Consultants, Inc.

(3) Source: San Bernardino County Records of General Obligation Bond Service Requirements and Stone & Youngberg Municipal Financing Consultants, Inc. Includes \$710,000 1963 Series 2 and 1965 Series 4 Bonds sold to Farmers Home Administration, U.S. Department of Agriculture on 9/20/76.

(4) Callable on or after February 1, 1993.

THE IMPROVEMENT PROGRAM

Proceeds of the sale of the \$4,865,000 Election 1975, Series 3 and Election 1977, Series 1 Bonds will be used to expand and upgrade existing facilities. Proceeds will be used in the following manner:

Project	Estimated Cost
Remodeling and Additions to Five Elementary Schools	\$1,583,000
Addition to Don Lugo High School	2,950,000
Purchase One Elementary School Site	300,000
Contingency	32,000
Total	\$4,865,000

Future upgrading and expansion of facilities will be accomplished by future bond sales within the Election 1977 authorization (\$7,840,000 of the Election 1977 authorization will remain unissued after the issuance of the Election 1977, Series 1 Bonds). The currently offered Election 1975, Series 3 Bonds will complete the Election 1975 authorization.

The District anticipates that the remaining \$7,840,000 of the Election 1977 authorization will be used to: (1) purchase three elementary and one junior high school sites, (2) construct a second addition to Don Lugo High School, (3) remodel Chino High School and (4) construct two elementary schools.

The above future construction and acquisition plans will be coordinated with the District's projected bonding capacity.

The District received an Economic Development Program grant for the construction of two elementary schools. Total grant was \$4,492,493. Construction is now in progress.

DISTRICT ORGANIZATION AND FINANCIAL DATA

Chino Unified School District operates 14 public schools in the southwestern sector of San Bernardino County. The District forms part of the San Bernardino-Riverside-Ontario Metropolitan Area, an urban complex characterized by strong and steady growth.

The District has operated as a unified school district under the laws of the State of California continuously since 1939, when the Chino Elementary and Chino High School Districts were consolidated to form the present District. The District is governed by an independent Board of Education of five members who are elected at large for overlapping four-year terms. The District's affairs are administered by the Superintendent, who is appointed by the Board of Trustees. Mr. Duane E. Stiff was appointed as the District Superintendent as of July 1, 1977. Mr. Stiff has been engaged in the field of education for 20 years.

FACILITIES AND ATTENDANCE

District facilities include eight elementary schools, two junior high schools, two high schools (one serving 9th and 10th grade, one serving grades 9 - 12), and two necessary small high schools. The District's staff include 552 certificated, 615 classified (240 full-time) and 58 administrative personnel. The 1977/78 General Fund budget exceeds \$20,000,000. The District's enrollment as of September, 1977 totalled 12,861.

Table 2 shows District assessed valuations, average daily attendance, and assessed valuation per student in average daily attendance over the past five years. During this period, the District's assessed valuation increased approximately 100 percent and assessed valuations per unit of average daily attendance increased approximately 38 percent. Average daily attendance over the past five years has increased 45 percent from 9,877 in 1973/74 to an estimated 14,317 in 1977/78.

ASSESSED VALUATIONS

The San Bernardino County Assessor assesses property for District tax purposes. District taxes are collected by the County Treasurer at the same time and on the same tax rolls as are city, county and special district taxes.

The State Board of Equalization reports the 1977/78 San Bernardino County valuations average 24.7 percent of full market value, except for public utility property, which is assessed by the State at 25 percent of full value.

Under California State Law, two types of exemptions of property from ad valorem taxes became effective in the 1969/70 fiscal year. One exempts 50 percent of the value of business inventories from ad valorem taxes. The other provides for an exemption of \$1,750 of the assessed valuation of an owner-occupied dwelling if the owner files for the exemption. Under a Constitutional Amendment, the California legislature can raise this exemption. Revenue estimated to be lost to each taxing entity as a result of such exemptions is reimbursed to the taxing entity from state funds. The reimbursement is based upon total taxes which would be due on the assessed valuation of the property qualifying for these exemptions, without allowance for delinquencies. Table 3 presents the District's 1977/78 assessed valuation by tax roll, before and after these two exemptions.

Table 2
CHINO UNIFIED SCHOOL DISTRICT
Assessed Valuation and Enrollment Growth

Year	Assessed Valuation (1)	Average Daily Attendance (2)	Assessed Valuation Per Unit of Average Daily Attendance
1973/74	\$101,650,280	9,877	10,292
1974/75	122,045,015	10,900	11,197
1975/76	132,006,017	11,449	11,530
1976/77	155,320,950	12,542	12,384
1977/78	203,121,695	14,317 (3)	14,187

(1) Includes State reimbursed exemptions.

(2) Includes summer enrollments and special classes.

(3) Estimated during the period September through June.

Sources: San Bernardino County Auditor-Controller (assessed valuations),
and Chino Unified School District (average daily attendance).

Table 3
CHINO UNIFIED SCHOOL DISTRICT
1977/78 Assessed Valuation

	Taxable Assessed Valuation	Homeowners and Business Inventory Exemptions	Assessed Valuation For Revenue Purposes
Secured	\$149,305,705	\$20,201,475	\$169,507,180
Utility	11,660,870	---	11,660,870
Unsecured	14,444,860	7,508,785	21,953,645
Total	\$175,411,435	\$27,710,260	\$203,121,695

Source: San Bernardino County Auditor-Controller.

REVENUE LIMITATIONS

Since 1973/74, California school districts have operated under general purpose property tax revenue limitations established in legislation adopted in 1973. This legislation, however, does not impose a maximum property tax rate for the purpose of meeting general obligation bond service payments. The Board of Supervisors of San Bernardino County is required to levy ad valorem taxes without limit as to rate or amount to meet general obligation debt service of the District.

Since 1973/74 allowable annual tax rates to be applied to a district's assessed valuation have been derived from a statutory formula which takes into account a number of factors including adjustments for inflation, limited mandatory contributions to the Teachers' Retirement System, basic state aid, state equalization aid, changes in average daily attendance and prior year's tax collections. The tax required to raise the general purpose monies is the district's maximum general purpose tax rate.

The District's revenue limit per unit of average daily attendance and general purpose tax rate actually levied in 1976/77 were \$1,129.31 and \$4.0000 respectively per \$100 assessed valuation.

In 1977/78, the revenue limit per unit of average daily attendance is estimated at \$1,201.89 with a general purpose tax rate of \$4.3290 per \$100 assessed valuation.

The 1977/78 District total tax rate per \$100 assessed valuation is \$5.0519, composed of the following: General Purposes, \$4.3290; Special School Rates \$0.1306; and Debt Service \$0.5923.

TAX RATES

There are 31 Tax Code Areas in the District. In the 1977/78 tax year, total tax rates within these code areas ranged from \$12.1924 to \$10.9300 per \$100 assessed valuation. Tax Code Area 101, located within the City of Chino, is the largest area by assessed valuation in the District, with a 1977/78 assessed valuation of \$75,586,840. Table 4, illustrates the record of total tax rates levied in Tax Code Area 101 over the past five fiscal years.

Table 4
CHINO UNIFIED SCHOOL DISTRICT
Tax Code Area 101 -- Tax Rates per \$100 Assessed Valuation

	1973/74	1974/75	1975/76	1976/77	1977/78
Chino Unified School District	\$ 4.2941	\$ 5.0747	\$ 4.9236	\$ 4.7634	\$ 5.0519
Other Schools	.7192	.7524	.7968	.6312	.6189
San Bernardino County	3.1327	3.1466	3.1466	3.1616	2.8356
City of Chino	1.5500	1.7531	1.7481	1.7476	1.7469
Flood Control Zone 1	.3000	.3000	.3000	.3000	.2971
Municipal Water District	.4800	.4800	.5500	.6400	.7600
Metropolitan Water District	.1700	.1800	.1500	.1500	.1400
Mira Loma Soil Conservation Dist.	--	--	--	--	.0275
Tax Rate All Property	\$10.6460	\$11.6868	\$11.6151	\$11.3938	\$11.4779
Water Agency (1)	.2145	.2145	.2145	.2145	.2145
Total Tax Rate	\$10.8605	\$11.9013	\$11.8296	\$11.6083	\$11.6924

(1) Land Only.

A listing of major taxpayers in the District and their 1977/78 assessed valuations is presented below.

CHINO UNIFIED SCHOOL DISTRICT MAJOR TAXPAYERS, FISCAL YEAR 1977/78

Taxpayer	Product/Service	Assessed Valuation
Southern California Edison Company	Public Utility	\$5,637,240
General Telephone Company of California	Public Utility	4,034,980
Southern California Gas Company	Public Utility	2,089,190
Bandag, Incorporated	Tire Re-capping	1,216,025
Freightliner, Incorporated	Truck Tractors	1,114,675
Alan B. Carter & Revv, Inc.	Shopping Center	1,022,925
Chino Community Hospital, Inc.	Hospital	958,925
Trus Joist Corporation	Pre-Fab Trus Construction	670,150
Manny Fingerhut	Real Estate Investment	533,565
Carbon Canyon Properties	Golf Course	499,725

TAX LEVIES AND DELINQUENCIES

School District secured and utility taxes appear on the same tax bill as County and City taxes, are payable in equal installments on November 1 and February 1, and become delinquent on December 10 and April 10 respectively. Taxes on properties appearing on the unsecured roll are assessed on March 1 and become delinquent the following August 31.

Table 5 summarizes the total secured tax levies and the amount and percentage of the levy delinquent as of June 30 for the past five fiscal years in the District's tax code areas.

Table 5
CHINO UNIFIED SCHOOL DISTRICT
Secured Tax Delinquency

Year Ending June 30	Secured Tax Levy	Delinquent as of June 30	
		Amount	Percent (2)
1973	\$ 8,832,912	\$203,349	2.30%
1974	8,194,751 (1)	237,510	2.90
1975	10,414,788	374,601	3.60
1976	11,928,508	352,911	2.96
1977	13,778,028	255,007	1.85

(1) Reimbursable homeowners exemption increased to \$1,750 from \$750, resulting in a lower taxable assessed valuation.

(2) San Bernardino County does not presently collect information on prior years' tax collections and penalties.

Source: County Auditor-Controller.

FUND BALANCES

The tabulation below presents the surplus balances in all District funds as of June 30 for the past four fiscal years.

CHINO UNIFIED SCHOOL DISTRICT
Fund Balances as of June 30 (1)

Fund	1974	1975	1976	Unaudited 1977
General Fund	\$453,387	\$ 595,804	\$ 512,717	\$ 80,500
Bond Interest and Redemption Fund	836,719	1,015,688	1,157,773	1,141,488
Cafeteria Account	159,367	232,365	292,723	345,443
Child Development Fund	15,818	15,780	30,487	13,606
Building Fund	2,170,549	1,886,394	2,255,264	3,829,512
State School Building Fund	486,111	319,141	--- (2)	--- (2)
E D A Grant	---	---	---	1,761

(1) Only the Bond Interest and Redemption Fund is available for the payment of bond debt service.

(2) This fund has been fully paid back to the State.

REVENUES AND EXPENDITURES

Table 6 presents a five year summary of revenues and expenditures of the Chino Unified School District as reported in annual audits and financial reports of the District. Also included in Table 6 is the summary of the Revised Budget for the past five years and variation of these Revised Budgets to actual expenditures.

Table 6
CHINO UNIFIED SCHOOL DISTRICT
Summary of Revenues and Expenditures

Fiscal Year	1971/72	1972/73	1973/74	1974/75	1975/76
REVENUES:					
Federal Income	\$ 484,665	\$ 536,979	\$ 458,291	\$ 586,417	\$ 1,032,830
State and Federal	72,983	22,241	31,803	38,995	63,339
State Income	3,579,255	3,961,084	5,936,722	7,019,113	8,718,482
County Income	133,888	152,145	222,584	194,058	171,432
Local Income	3,767,190	4,061,531	3,344,516	4,375,596	4,834,457
Incoming Transfer	89,851	85,277	112,640	81,607	87,515
Total	\$8,127,832	\$8,819,257	\$10,106,556	\$12,295,786	\$14,908,055
EXPENDITURES: (1)					
Certificated Salaries			\$ 6,194,707	\$ 7,183,653	\$ 8,667,833
Classified Salaries			1,631,246	2,020,634	2,644,274
Employee Benefits			845,142	1,024,641	1,331,109
Books, Supplies, Equip. Replacement			557,865	621,774	754,195
Contracted Services			393,246	622,333	749,252
Administration	\$ 202,531	\$ 228,409			
Instruction	5,656,634	6,155,949			
Health Service	55,409	58,588			
Pupil Transportation	147,831	153,735			
Plant O & M	795,108	891,953			
Fixed Charges	531,080	790,482			
Food Service	5,038	5,607			
Community Service	284,848	229,827			
Capital Outlay	112,780	77,988	211,875	315,791	329,508
Debt Service	374,413	155,647	116,926	155,301	278,626
Outgoing Transfer	22,829	51,894	115,281	214,079	219,383
Total	\$8,188,501	\$8,800,079	\$10,066,288	\$12,158,206	\$14,974,180
Revised Budget	\$8,271,285	\$8,746,955	\$ 9,947,246	\$12,140,818	\$14,559,210
Variance	\$ 82,784	(\$ 53,124)	(\$ 119,042)	(\$ 17,388)	(\$ 414,970) (2)

(1) Beginning in 1974/75 all school districts in the State of California were required to follow accounting and financial reporting procedures in accordance with revenue source categories and classification object code prescribed by the California State Accounting Manual. Certain expenditure items cannot, therefore, become directly compared with years prior to 1973/74.

(2) The 1975/76 Variance to Budget reflects increased salary costs which can be directly related to enrollment growth.

Source: District audit reports for individual years.

The tabulation in Table 7 shows a summary of the District's 1976/77 income and expenditures (unaudited) as shown in the annual budget report. Table 7 also contains a summary of the District's 1977/78 General Fund Budget.

Table 7
CHINO UNIFIED SCHOOL DISTRICT
General Fund Income and Expenditures (1)

	Fiscal Year	
	1976/77 Unaudited	1977/78 Budget
INCOME:		
Beginning Balance	\$ 512,540	\$ 82,036
Adjustment	(76,713)	---
Net Adjusted Beginning Balance	\$ 435,827	\$ 82,036
Federal Income	860,707	57,166
State Income	10,207,412	10,386,184
Other Federal & State Income	60,046	---
County Income	330,133	91,000
Local Sources	5,555,309	8,899,419
Incoming Transfers	86,326	88,500
Total Net Available Income	\$17,535,760	\$19,604,305
EXPENDITURES:		
Certificated Salaries	\$ 9,974,984	\$11,233,542
Classified Salaries	3,107,071	2,731,797
Employee Benefits	1,651,207	2,270,112
Books, Supplies & Equipment Replacement	896,595	1,107,444
Contracted Salaries & Other Operating Expenses	968,797	958,297
Sites, Building, Media & New Equipment	600,760	523,913
State School Building Apportionment	---	---
Outgoing Tuition	222,287	261,310
Interfund & Other Transfers	32,023	---
Appropriation for Contingency and Other Outgo	---	387,890
Total Expenditures	\$17,453,724	\$19,474,305
Net Ending Balance	82,036	130,000
Total Expenditures and Ending Balance	\$17,535,760	\$19,604,305

(1) Source: Chino Unified School District "Annual Financial and Budget Report", adopted on August 2, 1977 and approved by the County Superintendent of Schools on August 23, 1977.

EMPLOYER-EMPLOYEE RELATIONS

Certificated personnel of the Chino Unified School District are members of Associated Chino Teachers, which is affiliated with the California Teachers Association. The Associated Chino Teachers is the exclusive representative for certificated non-management personnel in the District. Classified non-management employees are represented by the California School Employees Association (CSEA), which is the exclusive representative for these employees.

The District has negotiated a three year (1976/77 through 1978/79) employment contract with certificated personnel. The District has negotiated a two-year employment contract with classified personnel. The 1977/78 Budget was adopted by the Governing Board of the District on August 2, 1977.

PENSION PLANS

The District participates in the State of California Teachers' Retirement System (STRS). This plan covers basically all full-time certificated employees. The District's contribution to STRS for fiscal year 1976/77 amounted to \$632,969, which includes both current costs and backfunding. The estimated District contribution to STRS in 1977/78 is \$818,088.

The District also participates in the State of California Public Employees' Retirement System (PERS). This plan covers all classified personnel who are employed at least 50 percent of the work week. The District's contribution to PERS for 1976/77 amounted to \$165,594, which includes both current costs and backfunding. The estimated District contribution to PERS in 1977/78 is \$167,988.

Both systems are operated on a statewide basis. Records are maintained in such a way that information relating to vested benefits, unfunded vested benefits, and prior service costs are not available for the District.

The State Teachers' Retirement System (STRS) operates under provisions of the State Education Code. The System includes California public teachers from preschool through grade fourteen and certain other employees of the public school system. There were approximately 331,200 active and inactive members and 64,800 benefit recipients at June 30, 1976. Membership is mandatory for all certificated employees meeting the eligibility requirements.

The System is financed by earnings from investments and contributions from members, school districts, and the State of California, which pays \$144,300,000 annually to the year 2002, subject to annual legislative appropriation. Members contribute 8 percent of applicable earnings, and school districts contribute a percentage of applicable member earnings, rising to a maximum of eight percent beginning July 1, 1978.

As of June 30, 1976, the net unfunded obligation of the System was estimated to be \$7,843,527,561, based on a projection of the \$7,457,041,757 net unfunded obligation determined in the June 30, 1975 periodic actuarial valuation. According to the actuarial report, combined contribution rates of members and school districts (16 percent at July 1, 1978) are insufficient to realize adequate funding. Any revision to the existing financing structure can be accomplished only through a change in the State Teachers' Retirement Law.

Actuarial valuations of the System are based upon the entry-age-normal cost method, which is a projected benefit cost method wherein level normal cost rates (contributions) are computed sufficient to fund benefits over the entire service life of members. The Systems' financial statements are prepared on the accrual basis of accounting.

The State Teachers' Retirement System's actuary is Milliman and Robertson, Inc., of San Francisco, California; Investment Counsel for equities is B A Investment Management Company, San Francisco, California; auditor is Coopers and Lybrand, Sacramento, California.

The State Public Employees' Retirement System (PERS) originally established in 1931, is governed by an eleven member Board of Administration, including the State Director of Finance. As of June 30, 1976, there were 543,436 members, of whom approximately 10 percent are classified as "safety" members (principally fire and police duties) and the balance are classified as "miscellaneous" members (management, administrative, staff, operational and clerical employees).

Approximately 33 percent of the members are state personnel and the balance (67 percent) are public agency personnel. As of June 30, 1976, the System provided retirement, death and survivor benefits under 944 contracts for about 1,950 public agency employers (cities, counties, and other public agencies) with 364,116 members. The System's funding is by employer and employee contributions together with investment income. Contributions fluctuate yearly depending on the number of members and their respective salary schedules. The annual contribution by the State of California for the 1975 and 1976 fiscal years, as reported by the State Controller, was \$231,057,584 and \$289,502,746, respectively. The System's financial statements are prepared on an accrual basis of accounting and the System's auditor is Coopers and Lybrand, Sacramento, California. Citicorp Investment Management, Inc., San Francisco, provides investment advisory services. The System's actuarial activities are conducted internally on a continuous basis, with an experience analysis being conducted no less than every four years. This was last done as of June 30, 1974.

Total assets of the System at June 30, 1976 were \$7,910,606,976, according to the annual report. Of this amount, reserves of \$7,862,480,565 were available for benefits. The unfunded obligation of the System was determined to be \$6,131,556,655 at June 30, 1975 (state members \$3,471,553,401, local governmental members \$2,660,003,254). The comparable amount for June 30, 1976 is not available.

The amount of the respective unfunded liabilities will vary from time to time depending upon the actuarial assumptions utilized, rates of return on investments, and salary scales. The present System policy is designed to satisfy the unfunded obligation by June 30, 2000.

DIRECT AND ESTIMATED OVERLAPPING BONDED DEBT

The District's general obligation bonding capacity is equal to 10 percent of its assessed valuation after all exemptions except homeowners' and business inventory, as adjusted by the Collier Factor. The Collier Factor is a comparison of a county's assessment level with the state-wide average ratio. The factor is used to offset differences in assessment levels for intercounty school districts and conforms assessment to the statewide average assessment level for all property. The District's bonding capacity as of January 16, 1978 as reported by the County Auditor is \$20,331,316. Upon delivery of the Election 1975 Series 3 Bonds and 1977 Series 1 Bonds currently being offered, the District's direct general obligation bonded debt will be \$20,275,000. Table 8 is a statement of direct and estimated overlapping bonded debt of the District as of January 16, 1978.

The District's share of authorized unsold bonds is as follows: Metropolitan Water District (\$1,478,250); Chino Unified School District (\$7,840,000). As of June 30, 1975, the District had satisfied its State School Building Aid Loan.

OTHER INDEBTEDNESS

The other additional long term liabilities of the District include: (1) a \$4,344 annual lease-purchase contract for duplicating equipment (the lease will be in effect for two more years), and (2) a \$5,800 annual lease for a relocatable building containing three classrooms (the lease will be in effect for two more years). These are obligations of the general fund and separate from the debt service redemption fund.

Table 8
CHINO UNIFIED SCHOOL DISTRICT
Statement of Direct and Estimated Overlapping Bonded Debt (1)

Estimated Population	52,000	
Assessed Valuation (1977/78)	\$203,121,695 (2)	
Estimated Real Value	\$821,788,000 (3)	

Public Entity	Percent Applicable	Estimated Debt Applicable January 16, 1978
San Bernardino County Building Authorities	6.742%	\$ 901,298 (4)
San Bernardino County Library Authorities	8.978	91,576
Metropolitan Water District	0.405	2,163,093
Chino Basin Municipal Water District	17.552	2,480,098
Chaffey Community College District	17.562	70,248
Chino Unified School District	100.000	20,275,000 (5)
City of Chino	99.525	350,328
Chino Building Authorities	99.525	3,607,781
City of Ontario	3.000	134,700
TOTAL GROSS DIRECT AND OVERLAPPING BONDED DEBT		\$30,074,122
Less: Ontario water & sewer bonds (100% self supporting)		20,850
TOTAL NET DIRECT AND OVERLAPPING BONDED DEBT		\$30,053,272

	Ratio to		
	Assessed Valuation	Real Value	Per Capita
Assessed Valuation	---	---	\$3,906
Direct Debt	9.98%	2.47%	390
Net Direct and Estimated Overlapping Debt	14.80	3.66	578

(1) Compiled in cooperation with California Municipal Statistics, Inc.

(2) The 1977/78 Assessed Valuation is before deduction of \$27,710,260 homeowner's and business inventory exemptions, the taxes on which are paid by the State of California.

(3) The State Board of Equalization reports that the 1977/78 San Bernardino County assessed valuation averaged 24.7 percent of full market value. Public utility property (\$11,660,870) is assessed at 25 percent of full market value by the State.

(4) Excludes \$54,052 share of \$801,722 County lease-purchase obligations which are not bonded debt.

(5) Includes \$4,865,000 to be sold on January 16, 1978.

THE DISTRICT AND ITS ECONOMY

Chino Unified School District is located in southwestern San Bernardino County, about 35 miles east of Los Angeles, 23 miles southwest of San Bernardino, and 115 miles north of San Diego. The boundaries of the District border parts of Los Angeles, Orange, and Riverside Counties. The District embraces about 88 square miles and has an estimated population of 52,000.

The City of Chino accounts for approximately 60 percent of the District's population and 50 percent of its assessed valuation. District boundaries encompass a portion of the City of Ontario. The unincorporated communities of Los Serranos and Carbon Canyon, situated southwest of Chino, lie within the District. Also within the District are the California Institution for Men, the California Institution for Women and the Youth Training School, all operated by the State Department of Corrections and employing a combined total of over 1,900 persons.

The main industries of the Chino area are agriculture, ranching, and closely related services. Major farm products are citrus, vegetables, nursery stock, beef cattle, eggs, and dairy products. The Chino Valley has the distinction of being the number one milk producing area in the nation with approximately 300 dairies. There are many thoroughbred and Arabian horse ranches in the Valley. The City of Chino has a well developed industrial area, housing a variety of manufacturers and distributors.

The District is directly served by the Pomona Freeway, the Corona Freeway, and the Southern Pacific Railroad. Ontario International Airport is a few miles northeast of the District. Chino Airport, situated in the District, is the busiest general aviation airport in San Bernardino County. Average annual temperatures in the District range from 55 degrees to 78 degrees, and average annual rainfall is 14-17 inches.

CITY OF CHINO

Chino was incorporated as a general law city on February 28, 1910 and is administered under the Council-Manager form of government. A mayor and four councilmen are elected for staggered four-year terms. The City Manager, appointed by the City Council, is responsible for carrying out policies established by the Council.

Chino operates its own police department and water department, and obtains library, fire protection, and health services from San Bernardino County. The Department of Recreation is operated in concert with the Chino Unified School District. In 1976 construction was completed on a new City-County Civic Center.

POPULATION AND HOUSING

Completion of the Pomona Freeway through the District in 1971 and its interchange with the Corona Freeway has caused a growth in the population of Chino and environs. According to a special census by the State Department of Finance in April, 1975, the population of the City of Chino reached 27,490, a gain of nearly 35 percent over the 1970 Census tabulation. The same source estimates a 1977 population of 31,000. Population growth is reflected in the following data from United States Census reports and the most recent state estimates.

POPULATION DATA

Year	City of Chino		San Bernardino County	
	Population	Percent Change	Population	Percent Change
1940	4,204	--	161,108	--
1950	5,784	37.6%	281,642	74.8%
1960	10,305	78.2	503,591	78.8
1970	20,411	98.1	682,233	35.5
1977	31,000	51.9	723,800	6.1

Sources: U. S. Census Bureau (1940-70) and State Department of Finance (1977) .

Improved access to the extensive freeway network of the Los Angeles Basin and Southern California, in addition to enhancing population growth, means that the rural atmosphere of Chino is rapidly changing to that of a more suburban center. The City Planning Department projects a population of 41,000 by 1980, assuming annexation of Chino Hills and adjoining areas west of the Corona Freeway, and a 1990 population of 60,000.

The City of Chino Planning Department has compiled housing statistics from the 1970 Census of Housing, plus data from certain surveys made in early 1977, with results as follows:

CITY OF CHINO

	1970	1977 (1)
Total dwellings	4,847	9,246
Owner-occupied	3,126 (64.5%)	7,150 (77.3%)
Renter-occupied	1,540 (31.8%)	2,096 (22.7%)
Vacant	181 (3.7%)	366 (3.9%)

(1) From 1977 Housing Assistance Plan, January 1977 Survey of New Housing Tracts, and January 1977 Survey of Apartments.

In 1970, the median value of owner-occupied homes in Chino was \$19,700, compared with median values in neighboring cities, as follows: Pomona, \$17,500; Montclair, \$18,000; and Ontario, \$17,100.

Between 1971 and 1976, inclusive, a total of 4,355 new housing units were built in the city. Over 96 percent were single-family dwellings. During the same period, 73 duplexes and 86 multiple units were constructed.

According to the city's January 1977 housing survey, the median sales price for tract housing was \$50,400, and the median apartment rental was \$187 per month.

EMPLOYMENT AND INDUSTRY

Although some District residents commute to jobs in Los Angeles, Orange, and Riverside Counties, most are employed in a Community Labor Market consisting of Chino, Ontario, Cucamonga, Montclair, and Upland, in the western part of San Bernardino County. The latest survey of this labor market, carried out by state labor analysts in July 1974, disclosed a total population of 190,341 and aggregate employment of 65,100.

Approximately 32 percent of all workers in this labor market were in manufacturing, 22 percent in trade, over 15 percent in services, and about 15 percent on government payrolls. Distribution of employment by major category is presented in the following tabulation.

CHINO COMMUNITY LABOR MARKET
Employment by Industry

Industry	July 1974
Agriculture, forestry, and fisheries	1,825
Contract construction	4,910
Manufacturing	20,600
Transportation, communications, and utilities	1,800
Wholesale and retail trade	14,275
Finance, insurance, and real estate	1,820
Service	10,020
Government(1)	<u>9,850</u>
Total (2)	65,100

(1) Includes all civilian employees of Federal, State and local governments.

(2) Includes wage and salary workers, self-employed, unpaid family workers, and domestics.

Source: California Employment Development Department.

The largest industrial employer in the District is the Freightliner Corporation, which employs 950 persons in the production of custom heavy duty diesel trucks at its Chino plant. Industrial firms in the Chino area produce a wide variety of products, as reflected in the listing of major District employers on page 19. Golden West Co., a producer of mobile homes, has purchased land on Schaefer Avenue in Chino and has announced plans to build a plant employing approximately 100 workers.

Immediately west of the District, near the intersection of the Pomona and Corona Freeways, General Telephone Company of California employs 1,000 persons at a regional distribution facility. An adjoining plant of Faberge Incorporated currently employs 314, increasing to 500 during seasonal operations.

The State of California maintains, in and near the District, four separate correctional and rehabilitation facilities. These institutions are the California Institution for Men, the California Institution for Women, and the Youth Training School, all within the District, and the California Rehabilitation Center, at nearby Norco. The four institutions have combined annual budgets approximating \$60 million, and combined payrolls of over 2,500.

The California Institution for Men was established in 1941 and occupies a 2,600-acre site in the City's southern limits. It is administered by the California Department of Corrections and is (with Vacaville) one of California's two rehabilitation centers for offenders. It offers a wide range of agricultural, vocational and industrial programs for the inmates. The California institution for Women provides similar programs for women offenders.

The California Youth Authority's Training School was dedicated in 1960. The school is situated on a 200-acre site adjoining the Institution for Men. The facility consists of three 400-bed living units and several supporting structures for counseling, teaching, recreational and vocational purposes.

Approximately 2,000 acres of industrial land in the District is either zoned for manufacturing and industry or is being held for future industrial use. Most of this acreage is in the Chino City limits. An industrial outfall sewage line is available.

Chino's general plan provides for a maximum industrial area of 3,200 acres. In 1976 there were 1,775 acres zoned for light and heavy industry with about 30 percent occupied by 60 manufacturing plants. The remaining industrial acreage will come from land presently zoned for agriculture and from annexations.

At Fontana, midway between Chino and San Bernardino, Kaiser Steel Corporation operates the largest integrated steel mill west of the Mississippi, with a rated capacity in excess of three million tons. Four fabricating plants and the steel mill employ approximately 9,000 people. Many related metal and fabricating plants and diversified industries have developed an important industrial complex in this area. Employment in the San Bernardino-Riverside-Ontario Metropolitan Area is discussed more fully in another section of this Official Statement (see "San Bernardino Valley").

LARGEST EMPLOYERS IN THE DISTRICT
50 or More Employees

Employer	Product/Service	Employment
State of California:		
California Institution for Men	Correctional facility	950-1,000
Youth Training School	Correctional facility	600-650
California Institution for Women	Correctional facility	300-350
Chino Unified School District	Education	1,225*
Freightliner Corp.	Heavy duty trucks	950-1,000
Aerojet Ordnance & Manufacturing Co.	Ordnance	51-100
Bandag Inc.	Precured rubber products	51-100
City of Chino	Government	150-200
Kelsey Axle Div., Kelsey Hayes	Axles for Mobile Homes	51-100
Swift & Co.	Lamb packing plant	51-100
Chino General Hospital	Medical care	120-150
Brougham Industries	Trailers	101-250
Strait Door and Plywood Corp.	Wood doors	101-250
California Brass Manufacturing Co.	Brass valves & fittings	51-100
Kit Manufacturing Co.	Travel trailers	101-250
Chino Grain & Milling (Ralston Purina)	Dairy feed	51-100
Baron Homes, Inc.	Mobile homes	101-250
Foothill Beverage Co.	Anheuser-Busch	51-100
Trus Joist Corporation	Structural joists	101-250
Alfa Leisure, Inc.	Travel trailers	51-100
Chino Valley Meat Packing Co.	Beef slaughtering	51-100
Remic Industries, Inc.	Mobile homes	51-100

*Full-time and part-time employees.

Sources: Original sources and Chino Valley Chamber of Commerce.

COMMERCE

The City of Chino is the retail and wholesale trading center for a large surrounding agricultural area, as well as for its own expanding population. As of January 1, 1977, there were 453 establishments reporting taxable transactions in the city, including 191 retail outlets. For the first half of 1977, taxable sales exceeded \$35.3 million, almost 20 percent greater than the same period of 1976. Taxable transactions in Chino evidence expansion, as reflected in the annual summaries following.

CITY OF CHINO
Taxable Transactions
(Thousands of Dollars)

Year	Retail Outlets	All Outlets
1971	\$22,282	\$27,693
1972	27,089	33,597
1973	32,885	40,324
1974	37,975	48,560
1975	41,336	49,452
1976	50,246	62,249
1977 (6 mos.)	29,208	35,301

Source: State Board of Equalization.

CONSTRUCTION

Building permit valuation in the District is available only for the City of Chino. Permits in unincorporated areas are not segregated by the County.

During the 1973-75 period, the total value of building permits in Chino was substantially higher than any other city in San Bernardino County. In 1975 total valuation exceeded \$48 million. Building permit valuation for 1976 exceeded \$64 million, and included more than 1,400 new single-family homes.

The pace of construction activity in the city moderated during the January-September 1977 period, principally because the City of Chino no longer has as much land for the development of housing subdivisions as it had in former years. In July 1977 city building officials awarded permits for 150 apartments to the Maurer Development Company of Newport Beach. These are the first apartment units to be built in the city since 1973. Lewis Homes has applied for a permit to build 72 apartment units near the city center.

The following tabulation reflects the high rate of construction activity in the City of Chino over the past six years.

CITY OF CHINO
Valuation of Building Permits

	1972	1973	1974	1975	1976	1977 (1)
New:						
Residential	\$14,153,041	\$23,196,080	\$17,782,780	\$36,685,744	\$58,925,000	\$20,331,000
Commercial	1,046,477	963,724	1,820,622	4,334,984 (2)	1,185,000	408,000
Industrial	1,521,832	3,515,769	1,205,408	---	224,000	458,000
All Other	3,127,001	6,169,776	4,961,587	7,022,107	3,720,000	2,704,000
Total	\$19,848,351	\$33,845,349	\$25,770,397	\$48,042,835	\$64,054,000	\$23,901,000
Number of New Dwelling Units:						
Single Family	408	763	595	972	1,482	415
Multiples	324	216	-	-	-	150
Total	732	979	595	972	1,482	565

(1) First nine months.

(2) Includes new buildings in the Civic Center.

Sources: City of Chino Planning Department and Security Pacific Bank.

Throughout the District, residential construction activity was at a high level in 1977. As of the second quarter, 30 developers had been awarded building permits for 3,267 housing units, completed 1,491 during the quarter, and sold 1,803. This activity is summarized in the accompanying tabulation, based on periodic reports of the First American Title Insurance Company.

DEVELOPERS ACTIVE IN THE DISTRICT
As of the Second Quarter, 1977

Developer	Permits Awarded	Units Completed	Units Sold
C. Michael, Inc.	36	35	17
Carbon Canyon Development Corporation	62	22	54
Griffin Development Company	176	88	121
Kaufman & Broad	224	200	208
Kaiser-Aetna	147	144	137
Hallcraft Homes	151	7	12
Marlborough Development Company	263	146	193
Park East II	46	46	44
American National Housing	115	0	29
Lewis Homes of California	206	202	181
M. J. Brock & Sons, Inc.	192	174	173
J. W. Lenney	36	36	36
Van Der Poel Brothers	73	73	73
Frank H. Ayres & Son Construction Company	107	100	105
Philip J. Zicarelli	40	39	26
Armour Building Company	102	51	39
Park East III Ltd.	204	37	83
McCarthy Company of Southern California	203	38	38
Bauer Development Company	64	20	43
Turn-Key Assoc.	33	33	5
Chevron Construction Company	55	0	0
Wittenberg Corporation	132	0	0
First L.A. Corporation	38	0	11
Warren Bauer	20	0	0
American Savings & Loan	63	0	0
Warmington Development Company	74	0	0
Alves/Freitas	13	0	1
Kingsway Construction Company (1)	258	0	174
MMV Development Company (1)	20	0	0
Covington Brothers (1)	114	0	0
Totals	3,267	1,491	1,803

(1) In the City of Ontario.

Source: Recorded Facts, First American Title Insurance Company.

AGRICULTURE

The Chino Valley is a major agricultural area. It forms part of the citrus belt of Southern California, and is a leading producer of dairy products. The majority of the dairies in the Chino Valley are in a Green Belt established by the County to protect the industry. The economy of the District benefits from the agricultural activity of the many farms and ranches in the vicinity. The County Agricultural Commissioner reports that no serious crop damage nor substantial reduction in crop yields is expected because of the drought conditions prevalent in California.

According to the County Economic Development Department, Chino surpasses both Kentucky and Virginia as the foremost thoroughbred horse-raising center in the nation. Agriculture in San Bernardino County is also discussed in the section describing the San Bernardino Valley (see page 27).

TRANSPORTATION

The District is traversed by the Pomona Freeway (California 60), which provides ready access to downtown Los Angeles and the San Bernardino-Riverside metropolitan area. Other state highways serving the District are 71 (Corona Freeway) and 83 (Euclid Avenue), which forms a direct north-south link with Interstate 10 (San Bernardino Freeway) at Ontario. Interstate 15, now under construction east of the District will link the Foothill, San Bernardino, Pomona, Riverside and Corona Freeways. To the west of the District, State Highway 57 (Orange Freeway) provides ready access to Orange County.

Local bus service is provided by Omnitrans, operated by the San Bernardino County Board of Supervisors.

Thirty commercial trucking firms serve the Chino area. A branch line of the Southern Pacific Railroad provides rail freight service to local industry.

Ontario International Airport, six miles northeast of Chino, is a major gateway to Southern California. It is operated by the Los Angeles Department of Airports and has a 10,000-foot runway capable of handling the largest commercial jets. Daily scheduled air passenger and cargo service is offered by Continental, TWA, American Airlines, Western Airlines, PSA, Hughes Air West, United, Eastern, Golden West, and Air California. Private and general aviation services are available at the County-operated Chino Executive Airport, in the eastern part of the District.

UTILITIES

Utility services in the District are provided by the suppliers appearing below:

Electricity:	Southern California Edison Co.
Natural gas:	Southern California Gas Co.
Telephone:	General Telephone Co. of California
Water:	City of Chino and private companies
Sewer:	City of Chino and Chino Basin Municipal Water District

EDUCATION

Public education in San Bernardino County is administered by 19 elementary school districts, two high school districts, 13 unified (K-12) school districts, and four community college districts. Enrollment in the secondary grades and the community colleges has increased, as shown in the following five-year summary.

SAN BERNARDINO COUNTY
Total Enrollment in Public Schools

Grades K-14	1972	1973	1974	1975	1976
Elementary (K-8)	116,388	113,616	111,339	111,146	111,599
Secondary	66,207	66,444	69,296	71,466	72,443
Community College	<u>27,984</u>	<u>28,697</u>	<u>32,818</u>	<u>41,835</u>	<u>36,271</u>
Total	210,579	208,757	213,453	224,447	220,313

Source: County Superintendent of Schools.

Residents of the District are eligible for tuition-free higher education at Chaffey College, located about ten miles northeast of the District at Alta Loma. Supported by local taxes, this two-year community college offers a wide range of vocational and lower-division academic courses. In the fall of 1976 this institution had a total enrollment of 14,717 and full-time enrollment of 4,183.

Four-year colleges and universities near the District include the University of California at Riverside, the Associated Colleges of Claremont (Scripps, Pomona, Men's College, Harvey Mudd, and Pitzer), California State Polytechnic University at Pomona, San Bernardino State College, University of Redlands, California Baptist College, and Loma Linda University (campuses at La Verne and Loma Linda).

COMMUNITY FACILITIES AND RECREATION

A new City-County Civic Center was completed in the City of Chino in the fall of 1976. This complex includes a two-story City Hall, a Police Department building, a County Building for courts and offices, and the previously completed Chino Public Library, a unit of the County Library System. District residents holding library cards have access to the Inland Library System, a cooperative effort of San Bernardino, Riverside, and Inyo Counties and a number of participating city libraries.

Financial services in the District are furnished by the Chino Valley Bank, First National Bank and Trust Co., Bank of America, Security Pacific National Bank, Ontario Savings and Loan, and Pomona First Federal Savings and Loan Association.

The new Chino General Hospital, a privately-operated unit of the national AID Medical Complex, is an acute care institution with 118 beds. Three other general hospitals with a total bed capacity of 692 are located in the vicinity of the District.

Local news coverage is provided by the Chino Champion and the evening Daily Report, published at Ontario, and the Evening Progress Bulletin, published at Pomona. The District is located within the area served by Los Angeles Metropolitan Area press, radio and television outlets.

The Chino Recreation Department was formed in 1973 as a joint agency of the City of Chino and the Chino Unified School District to administer local playground and park facilities. The Recreation Department has relocated to facilities in the former City Hall. Within the community area are three parks, a Junior Fairgrounds, four public golf courses, and a private country club.

In the southern part of the District is the county-administered 275-acre Prado Regional Park, including two 18-hole golf courses and a country club. This complex opened for public use in July 1976.

San Bernardino County has a wide variety of attractions for both residents and visitors. The Ontario Motor Speedway opened in 1970, bringing major auto racing events to Southern California. Each year, thousands of visitors attend the National Orange Show in the City of San Bernardino. Well known recreational areas in the San Bernardino Mountains include Lake Arrowhead, Big Bear, and the Wilderness Area around Mount San Geronio. The County contains nine developed ski areas, with Snow Valley and Snow Summit the best known.

Recreational and cultural attractions of the Los Angeles Metropolitan Area are less than an hour's drive to the west via freeway. Pacific Ocean beaches and desert resort areas are also within convenient driving distance to the south and east.

SAN BERNARDINO VALLEY

The District lies within the fifth largest metropolitan area in California, with a population in excess of 1,280,000. The two-county San Bernardino-Riverside-Ontario Metropolitan Area has a wide variety of industries and resources such as steel, agriculture, electronics, tourism, military installations, government facilities, and minerals. The only integrated steel mill on the Pacific Coast is located at Fontana, seven miles northeast of the District. This complex accounts for approximately 70 percent of the raw steel output in California.

The growing sophistication of the area as a manufacturing center is illustrated by the expanding aerospace-electronics industry, once closely tied to defense markets, but now increasingly committed to commercial production. Centers of industrial employment in the Valley are San Bernardino, Fontana, Ontario, Redlands, and Riverside.

EMPLOYMENT

Employment patterns in the San Bernardino-Riverside-Ontario Labor Market Area are reported periodically by the State Department of Employment Development. In September 1977, this labor market supported 452,300 civilian employees, including 379,700 nonagricultural wage and salary workers and 20,300 agricultural workers. Of the nonagricultural workers, over 26 percent are on government payrolls, largely at the state and local government level. Trade, services and manufacturing are the other leading sources of jobs, in that order. Of over 54,000 workers in manufacturing, 72 percent are engaged in durable goods production. Transportation equipment and primary metals are the leading industries in this group. A summary of employment by industry throughout the metropolitan area appears below, and a list of large employers is on page 26.

At September 1977 the seasonally adjusted unemployment rate was 8.3 percent of the labor force compared with 9.5 percent the previous September. The unadjusted rate was 8.2 percent, down from 9.5 percent the previous September.

SAN BERNARDINO-RIVERSIDE-ONTARIO LABOR MARKET Wage & Salary Employment by Industry (1)

Industry	September 1977	September 1976
Manufacturing, Durables	38,500	39,400
Manufacturing, Non Durables	14,900	15,000
Mining	2,600	2,400
Construction	14,900	13,300
Transportation, Utilities	20,200	18,900
Wholesale Trade	14,300	13,200
Retail Trade	70,700	68,600
Finance, Real Estate	13,900	13,400
Services	73,300	69,900
Federal Government	14,800	14,700
State and Local Government	80,300	74,000
Total Non Agricultural	359,400	342,800
Agriculture	20,300	19,600
Total, All Industries	379,700	362,400

(1) Employment reported by place of work. Excludes self-employed and family workers and those involved in labor disputes.

Source: State Department of Employment Development.

SAN BERNARDINO-RIVERSIDE-ONTARIO LABOR MARKET
Selected Major Employers

Employer	Product/Service	Number of Employees
<u>Manufacturing Employment:</u>		
Amax Aluminum Mill Products, Inc., Riverside	Aluminum sheet, tubing	500
Bourns, Inc., Riverside	Electronic components	1,100
Deutsch Co., Banning	Electronic components	900
E. L. Yeager Constr. Co., Rubidoux	Heavy construction, concrete	850
Fleetwood Enterprises, Riverside	Mobile homes, recreation vehicles	1,450
Freightliner Corp., Chino	Trucks	900-1,000
General Electric Co., Ontario	Appliances, aviation services	501-1,000
Johns-Manville Fiber Glass Div., Corona	Fiberglass insulation	400
Kaiser Steel Co., Fontana	Iron, steel, structural shapes	9,000
Kerr-McGee Chem. Corp., Trona	Potash, borax	501-1,000
Lockheed Aircraft Service Co., Ontario	Aircraft maintenance	Over 1,000
Owens-Illinois, Lily Tulip Div., Riverside	Containers	430
Press-Enterprise Co., Riverside	Printing, publishing	585
Riverside Cement Co., Riverside	Cement	600
Sunkist Growers, Ontario	Orange products	501-1,000
Sunkist Growers, Corona	Lemon products	450
Rohr Industries, Riverside	Aircraft components	1,040
Toro Co., Riverside	Irrigation systems	350
<u>Non-Manufacturing Employment:</u>		
Central City Mall, San Bernardino	Regional shopping center	3,000
General Telephone Company	Communications	400
Inland Center Mall, San Bernardino	Regional shopping center	2,500
Kasler Corp.	Highway construction	250-500
Loma Linda University & Hospital	University and hospital	5,200
March Air Force Base, Riverside	Defense (civilians only)	1,300
Norton Air Force Base, San Bernardino	Defense	11,000
Pacific Telephone Co.	Utility	800
Riverside County	County government	4,000
San Bernardino County	County	7,000
San Bernardino School System	Unified school system	3,000
San Bernardino State College	State college	525
San Bernardino Valley College	Community college	700
Santa Fe Railroad	Transportation	3,000
Southern Pacific Railroad	Transportation	1,200
Southern California Edison	Electrical-utility	600
Southern California Gas Co.	Gas-utility	350
TRW Systems Group	Research/program management	750
University of California, Riverside	Education	3,600

Sources: San Bernardino Economic Development Department and Riverside County
Department of Development.

AGRICULTURE

The fertile San Bernardino Valley is a major agricultural area, extending 40-50 miles in an east-west direction. It forms a part of the citrus belt of Southern California, and is a leading dairy producing area in the nation. Gross value of farm products in San Bernardino County exceeded \$343 million in 1976, highest value on record for the county. There were 19 commodities with a valuation in excess of one million dollars, headed by milk and eggs. Together, these two products accounted for over 74 percent of the total gross value of farm production in San Bernardino County in 1976.

The tabulation below presents county agricultural production values by individual years since 1973. A list of the million-dollar crops in 1976 accompanies the tabulation. Milk accounted for over 55 percent of total gross production values for the year.

SAN BERNARDINO COUNTY Gross Value of Farm Production

	1973	1974	1975	1976
Fruit and nuts	\$ 32,534,100	\$ 20,596,500	\$ 16,690,800	\$ 18,539,900
Vegetables	2,273,000	3,454,500	3,693,600	4,189,900
Field crops	9,074,000	12,065,100	13,823,000	16,075,200
Seed crops	101,600	96,900	92,100	301,000
Nursery prod., cut flowers	3,551,200	4,462,700	4,751,800	5,681,100
Apiary products	1,302,200	1,174,000	924,200	536,500
Livestock and poultry	41,786,000	37,832,400	41,958,000	40,533,600
Animal products	172,828,000	211,757,500	226,014,500	256,301,600
Aquaculture, worms	-	-	-	1,107,000
Total Value	\$263,450,100	\$291,439,600	\$307,948,000	\$343,265,800

Other agricultural areas in the western states have been experiencing crop losses due to drought conditions. However, according to the County Agricultural Commissioner, no serious crop damage nor substantial reduction in yield is expected in San Bernardino County.

SAN BERNARDINO COUNTY Million Dollar Crops 1976

1. Milk	\$190,040,000	11. Lemons	\$3,641,000
2. Eggs	65,590,000	12. Grapes	1,801,000
3. Cattle and Calves	18,241,000	13. Apples	1,783,000
4. Alfalfa Hay	8,948,000	14. Grain Hay	1,588,000
5. Turkeys	8,457,000	15. Grapefruit	1,588,000
6. Nursery Products	5,681,100	16. Pasture-Permanent	1,328,000
7. Chicken Fryers	5,599,000	17. Hogs and Pigs	1,104,000
8. Navel Oranges	4,986,000	18. Baby Chicks	1,059,000
9. Valencia Oranges	4,069,000	19. Sudan Grass	1,051,000
10. Pullets	3,690,000		

Source: County Department of Agriculture.

CONSTRUCTION ACTIVITY

After a low point in 1974, building permit valuations in San Bernardino County increased by over 57 % the following year. In 1976, the annual gain exceeded 65% , to a level of \$515,552,000 for the year. Building permit valuation for the first nine months of 1977 exceeds \$645 million.

As reflected in the tabulation below, single-family residential valuation accounted for most of the building permit valuation in 1976, with permits for over 10,000 new homes. This trend continued in 1977, accompanied by increased activity in multi-family construction in the January-September period.

SAN BERNARDINO COUNTY Building Permit Valuation ((\$000 omitted)

Year	1972	1973	1974	1975	1976	1977 (1)
Residential:						
New Single-Family	\$ 114,253	\$112,789	\$ 91,903	\$185,659	\$382,444	\$496,708
New Multi-Family	42,767	26,568	10,009	8,207	7,888	23,633
Additions, Alterations	12,993	13,922	17,537	23,201	28,511	20,479
Non-Residential						
New Commercial	22,347	29,342	27,449	17,669	39,681	31,710
New Industrial	9,855	11,644	10,394	38,472	14,655	20,974
Alterations, Additions	8,332	7,459	6,881	7,031	9,244	7,919
Other	33,457	42,010	33,295	30,833	33,129	33,677
Total Valuation	\$244,004	\$243,734	\$197,468	\$311,072	\$515,552	\$645,100
No. of New Dwelling Units:						
Single-Family	5,989	5,190	3,473	5,192	10,008	11,979
Multi-Family	3,931	1,962	634	494	472	1,457
Total Units	9,920	7,152	4,107	5,686	10,480	13,436

(1) For nine months.

Source: "California Construction Trends", Security Pacific Bank.

TAXABLE SALES

Taxable sales in San Bernardino County exceeded \$2.3 billion in 1976, an increase of 18½ percent over total taxable transactions the previous year, and 28½ percent greater than taxable sales in 1974. The following tabulation presents taxable transactions for retail outlets and all outlets by individual years since 1972.

SAN BERNARDINO COUNTY
Taxable Transactions
(\$000 omitted)

	Retail Outlets		All Outlets	
	Permits	Transactions	Permits	Transactions
1972 (1)	5,951	\$1,115,231	15,309	\$1,472,978
1973	6,089	1,279,608	15,670	1,686,423
1974	6,091	1,354,669	16,072	1,823,841
1975	6,182	1,471,122	16,862	1,977,173
1976	6,294	1,726,263	17,673	2,343,336
1977 (six months)	6,406	969,540	18,392	1,350,257

(1) Sales of gasoline for highway use became taxable July 1, 1972.

Source: State Board of Equalization.

FINANCIAL

In the first half of 1977, bank debits in the San Bernardino-Riverside-Ontario Metropolitan Area amounted to more than \$22.9 billion, as reported by the Federal Reserve Bank of San Francisco. This was an increase of 15.1 percent over the same period of 1976. Bank deposits at June 30, 1977 were \$1,023 million, 23.2 percent greater than total deposits at June 30, 1976.

PER CAPITA INCOME

The United States Department of Commerce estimates that per capita money income in San Bernardino County was \$4,363 in 1974, compared with \$3,604 in 1972 and \$3,002 in 1969. The 45.3 percent increase in the 1969/1974 period exceeded the statewide increase of 41.5 percent.

79 00583

U.C. BERKELEY LIBRARIES



C123313655

INSTITUTE OF GOVERNMENTAL
STUDIES LIBRARY

DEC 13 2024

UNIVERSITY OF CALIFORNIA

